

Introduction

2004-2019 Capital Improvement Program City of Atlanta, Georgia

Compiled by

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Introduction

Introduction

The City of Atlanta's Capital Improvement Program (CIP), which covers a fifteen-year time period, is updated annually. The CIP recommends the use of the projected revenues for capital purposes expected over the next five years and identifies all capital needs over the full fifteen-year period. Also included in the CIP is a general financial plan for funding those projects over the entire fifteen-year period. The City of Atlanta's Capital Improvements Program (CIP) is a plan for both long and short-range development of the physical plant of city government. The Program is based on the Comprehensive Development Plan (CDP) for the City and provides policy direction for the capital funds budgeted in the annual budget, implementation of the Georgia Development Impact Fee Act, for the annual General Obligation Bond issue and for either capital fund sources. It covers those items typically thought of as "infrastructure"—streets, sewer lines, bridges, etc., as well as facilities through which city government provides services directly to citizens or in support of city operations. The latter category includes such facilities as police precincts, recreation centers, maintenance facilities, and general office buildings. The CIP covers all facilities that City government owns and has responsibility for. This document is submitted with the CDP to the Atlanta Regional Commission (ARC) annually, as required by the Georgia Planning Act.

The CIP is intended to insure that needed projects will be undertaken according to an established set of priorities and that revenues will be available to finance such projects when they are needed. The CIP combines elements of long-range planning, mid-range programming, and current year budgeting to identify the city's capital needs and the means of meeting them, with the process covering a fifteen-year period. The CIP identifies specific improvements to city infrastructure and facilities needed to support and implement the Comprehensive Development Plan (CDP). The Capital Improvements Program also has as an important goal the encouragement of departments and City agencies to establish an internal planning process to identify capital needs with a sufficient lead-time so that decisions may be made on the most advantageous financial means of addressing them.

Introduction

The Capital Improvements Program consists of three elements:

- * **Planning** Long-range capital improvements are developed for each year of City government for up to fifteen years.
- * **Programming** Known and anticipated revenues from various sources are programmed in the CIP and a financing package is developed for all recommended projects.
- * **Budgeting** The one-year element of the CIP directs the budgeting of various capital and operating funds that are part of the City's annual budget development process.

The CIP is adopted annually in late September or early October, following the adoption of the annual Comprehensive Development Plan (CDP). The CIP thus immediately preceded the adoption of the annual budget, and allows the incorporation of the priorities from the CIP in the budget. Additionally, the appropriation of the annual general obligation bond sale proceeds, often received in the late fall, is in accordance with the adopted CIP. This timing is intended to provide better direction to the CIP from the CDP, and better linkage with the annual budget by giving more timely input into the budget adoption process.

The CIP process is the appropriate medium for operating departments to request programming of funds for future capital needs. The CIP programs known available capital revenues for the subsequent five years, and identifies a financing plan for all projects within the five-year category of the CDP. The actual budgeting of funds follows the City's normal budget process.

In general, the Program Area organization of the CIP is consistent with departmental responsibilities. Each department is responsible for the preparation of a CIP request package for the program areas within their purview. The Bureau of Planning and the Department of Planning and Development is responsible for reviewing the CIP for conformity with adopted city development policy and plans. The Department of Finance is responsible for making recommendations as to funding sources and schedules.

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Legal Basis

The Georgia Development Impact Fee Act requires that all developer exaction practices by local governments in the state be discontinued after November 30, 1992, except for those developed in compliance with the Act for strictly project-related improvements. The City of Atlanta Development Impact Fee Ordinance was adopted by Atlanta City Council on March 18, 1993 in accordance with the Authority provided by Article 9, Section 2, paragraph 4 of the Constitution of the State of Georgia and the Georgia Development Impact Fee Act (Title 36, Chapter 71, Official Code of Georgia Annotated.)

In 1997, the City appropriated \$6.4 million for 8 greenway trails, 21 sidewalk improvements projects, one pedestrian bridge, Fire Station #14, Atlanta Police Academy Expansion and the Zone 4 Police Precinct (Ordinance # 97-O-0822). This use of development impact fees reduced the City's historical reliance upon the Annual Bond Fund to accommodate these obligations. The funding requests for the 1-year period is illustrated by service category in Figure 1 and by funding source in Figure 2, while the 5-year period and 15-year period funding requests are illustrated in Tables 2 & 3.

The CIP identifies specific improvements to City infrastructure and facilities needed to support and implement the CDP. It covers the facilities of both general government operations and enterprise operations, primarily the Water and Sewer System and Hartsfield Atlanta International Airport. The enterprise operations are self-supporting and generate their own capital funds through revenue bonding or operating revenues, while general government capital improvements rely on annual bond issues and voter approved general obligation bonds, as well as general and internal service funds, dedicated tax millage and grants.

Purpose and Benefits of the Program

The CIP is intended to assure that needed projects will be undertaken according to an established set of priorities and those funds will be available for such projects as they are needed. The document combines elements of long range planning, mid-range programming and current year budgeting to identify capital needs and funding sources over a fifteen-year period. The CIP identifies specific improvements needed to support and implement the CDP.

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Capital Improvements - Definitions

The 2001 CIP identifies and sets priorities for major improvements and capital purchases needed to improve services to the community. Projects covered in this Program involve City infrastructure and facilities, which have the following characteristics:

- any project, facility or equipment with a monetary value of at least \$25,000 *and will last longer than 5 years.*
- any project, facility or equipment, which meets the above criterion and will benefit from extended life through renovation, replacement, refurbishment or expansion.
- any project, facility or equipment that is currently funded in an existing capital improvement or bond program that will not be completed by July 1, 2002.
- any project that results in purchase, improvement or development of land.

Normal equipment items, such as rolling stock, are not part of the CIP process and are treated as operating budget items.

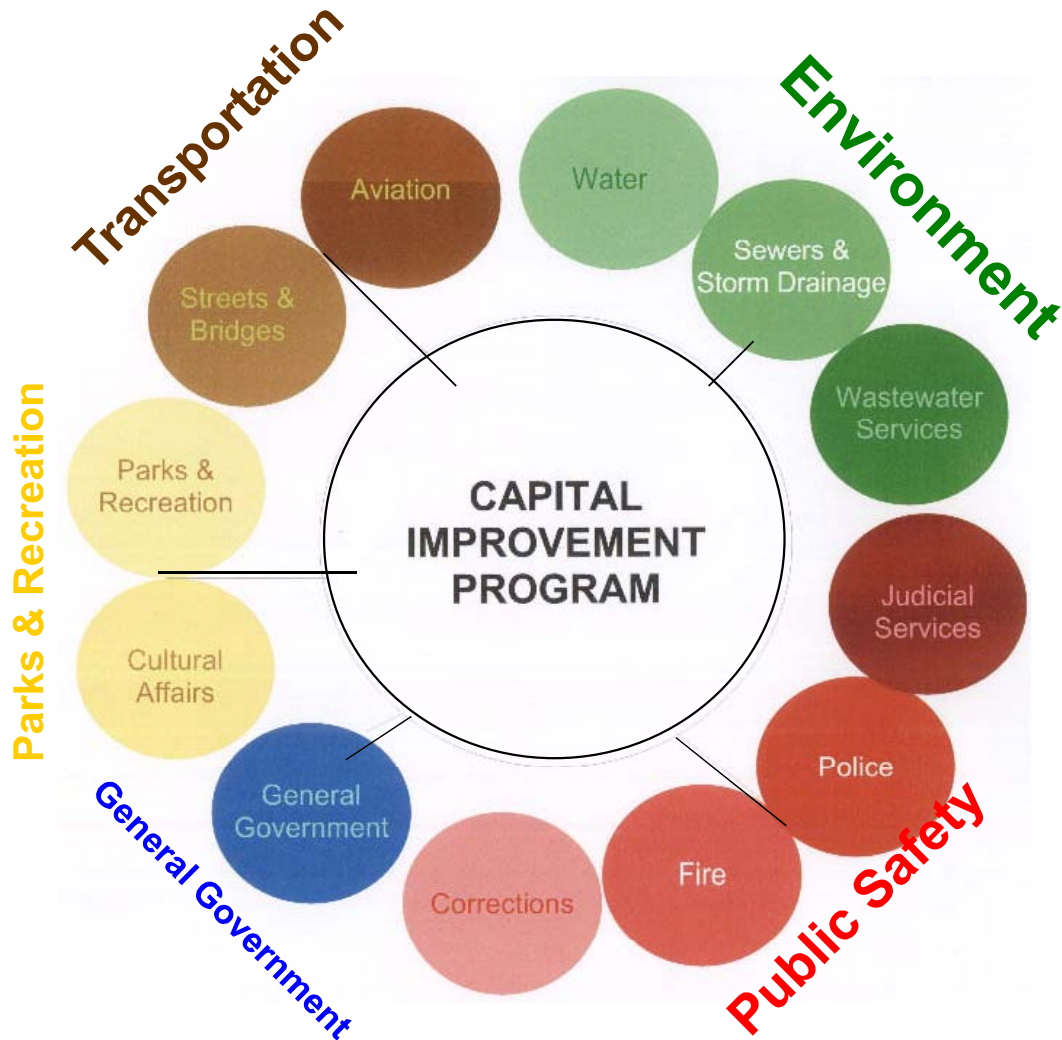
The CIP is divided into program areas and sub-areas, along the same lines as the CDP. An explanation of the components of each program area and the respective sub-program areas is found in the appropriate program sections.

As noted, the City CIP covers City government capital projects only. These projects are carried out to provide the facilities for the provision of City services, to supply the basic infrastructure of streets, bridges, sewers, sidewalks, etc. and to support, encourage and shape the direction of private development. Many other factors influence infrastructure development in the City, such as the Metropolitan Atlanta Rapid Transit Authority (MARTA), the Atlanta Housing Authority, the State and Federal Governments and the Atlanta Board of Education. Also, private developments directly interact with the future and direction of City growth, requiring City involvement and support and providing the opportunity to leverage focused private investment with City resources. The CIP attempts to coordinate City government activities with those of other City building forces.

Introduction

Plan Development

A steering committee comprised of representatives from each City Department was responsible for developing project listings based on identified and projected needs. The steering committee also ensured that the projects included in the document could be linked to identify funding sources. Based upon these extensive deliberations, the following 1-, 5-, and 15-year Capital Improvements Programs were developed.



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Debt Obligation

A total of \$7,897,500 in Board of Education bonds was outstanding at December 31, 2002.

Certificates of Participation is a lease purchase contract to finance the purchase of real or personal property and the construction or repair of fixtures or improvements on real property. The City, pursuant to Sections 36-60-13 and 36-60-15 of the Official Code of Georgia Annotated, is legally permitted to enter into such lease purchase contracts. Lease financing does not constitute a pledge of the full faith and credit of the City; instead lease financing is subject to annual appropriation. A security agreement pledges the asset being financed as collateral for the installment loan. The financing company receives a security title to the asset and title reverts back to the City following all installment loan payments.

The City has also issued Certificates of Participation for the projects listed below:

Project	Principal Outstanding at 12/31/02
1998 Refunding COP's Issue	\$87,610,000
Communications System	<u>5,065,000</u>
TOTAL	92,675,000

Further, some \$70,010,000 in Revenue Bonds are outstanding that were issued by the Downtown Development Authority for development of Underground Atlanta.

Another \$25,710,000 is due for outstanding principal for bonds issued by the Solid Waste Management Authority.

Other overlapping debt includes the Fulton-DeKalb Hospital Authority in the amount of \$106,104,540, which is applicable to the City of Atlanta and the Urban Residential Finance Authority in the amount of \$3,398,515

The principal amount of \$19,073,396 outstanding for GMA Loan Pool funds, and \$14,660,000 for Section 108 Loans.

The Department of Aviation utilizes General Aviation Revenue Bonds, which are not subject to the cap provided by state law. At December 31, 2002, \$1,328,947,504 in Airport Fund Bonds were outstanding, used to fund the atrium, runway and concourse development at Hartsfield Atlanta International Airport.

Similarly, the Department of Water and the Department of public works utilize Water and Sewer Revenue Bonds that are not restricted by the state law cap. As of December 31, 2002, \$1,713,790,000 of Water and Sewer System Bonds was outstanding.

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The Department of Parks and Recreation uses Park and Recreational facilities Revenue Bonds that are not restricted by the state law cap. As of December 31, 2002, there were no outstanding Recreational Bonds.

The table below summarizes the status of the City's debt as of December 31, 2002:

Direct Debt:

Outstanding General Obligation Bonded Debt	\$ 238,510,000
Outstanding Aviation Fund Bonded Debt	\$ 1,328,947,504
Outstanding Water and Sewerage Fund Bonded Debt	\$ 1,713,790,000
GMA Loan Pool	\$ 19,073,396
Section 108 Loans	\$ 14,660,000
Park and Recreational Facilities Revenue Bonds	<u>\$ 158,960,000</u>
Total	\$ 3,314,980,900

Indirect Debt:

Certificates of Participation	\$ 146,460,000
Underground Atlanta Revenue Bonds (DDA)	\$ 71,625,000
Atlanta Board of Education	\$ 7,847,500
Fulton-DeKalb Hospital Authority	\$ 106,104,540
Urban Residential Finance Authority	\$ 3,398,515
Solid Waste Management Authority	<u>\$ 25,710,000</u>
Total	\$ 361,195,555

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Funding Sources for the Capital Improvements Program

The CIP programs revenues that are forecasted to be available for capital purposes. The appropriation of these funds is accomplished through the City's normal budget process. Operating funds including the Park and Improvement fund, and the renewal and extension funds are subject to the regular City budget cycle and are appropriated as part of the annual budget. Other funds, such as grants and bond proceeds, are appropriated whenever they are received or awarded during the course of the fiscal year. Items programmed in the CIP to be funded from expected revenues are still subject to appropriation in the normal budget process.

As noted in the Funding Sources Table, the primary sources of funding for City capital projects are General Obligation and Revenue Bonds and Federal Grants. General Obligation Bonds in the amount of \$8,000,000 of which \$4,000,000 represents the City share with the remaining dedicated for School purposes. The City can issue \$8,000,000 without referendum annually, this General Obligation Bond issue is also referred to as the Annual Bond. The City's Annual Bond authorization has remained constant since 1968, and inflation has significantly eroded the buying power of this source of funds.

The voters through bond referendum are responsible for approving any additional General Obligation Bonds beyond the statutory limits. On July 19, 1994, voters approved \$149,970,000 to finance the cost of various capital projects for the City, consisting of \$78,225,000 for streets, bridges, viaducts and related public improvements; \$55,605,000 for improvement of storm water drainage facilities and related public improvements; and \$16,140,000 for erosion and flood control and related public improvements.

On November 7, 2000, voters approved \$150,000,000 to finance the cost of various capital projects for the City. 2000 Quality of Life Improvement Bonds to fund projects in the four broad categories of Sidewalk Program; Public Plazas and Greenspaces; Public Streets, Bridges & Viaducts; and Public Traffic Control Devices.

The City of Atlanta is also restricted by state law from issuing General Obligation Bonds in excess of eight percent (8%) of the net assessed value of the digest of property subject to ad valorem taxes. The amount of remaining legal debt margin for City general purposes as of December 2001, was as follows:

Assessed Value	\$17,280,814,384.00
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Debt Limit Calculation:

Legal 8% limit (8% of Assessed Value)	\$ 1,382,465,151.00
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Less Outstanding General Obligation Bonded Debt	<u>\$ 230,612,500.00</u>
	\$ 1,151,852,651.00

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As indicated in this calculation, the City is using approximately 17% of its total bonded debt capacity from the perspective of the state constitutional limit on debt. The other primary consideration in analyzing the debt capacity of the City is the rates of property tax levies needed to support debt. For 2002, the City levied 1.34 mills (\$1.34 per \$1,000 of value) for general obligation debt service.

The Connection Between the Capital Improvement Program & The Comprehensive Development Plan

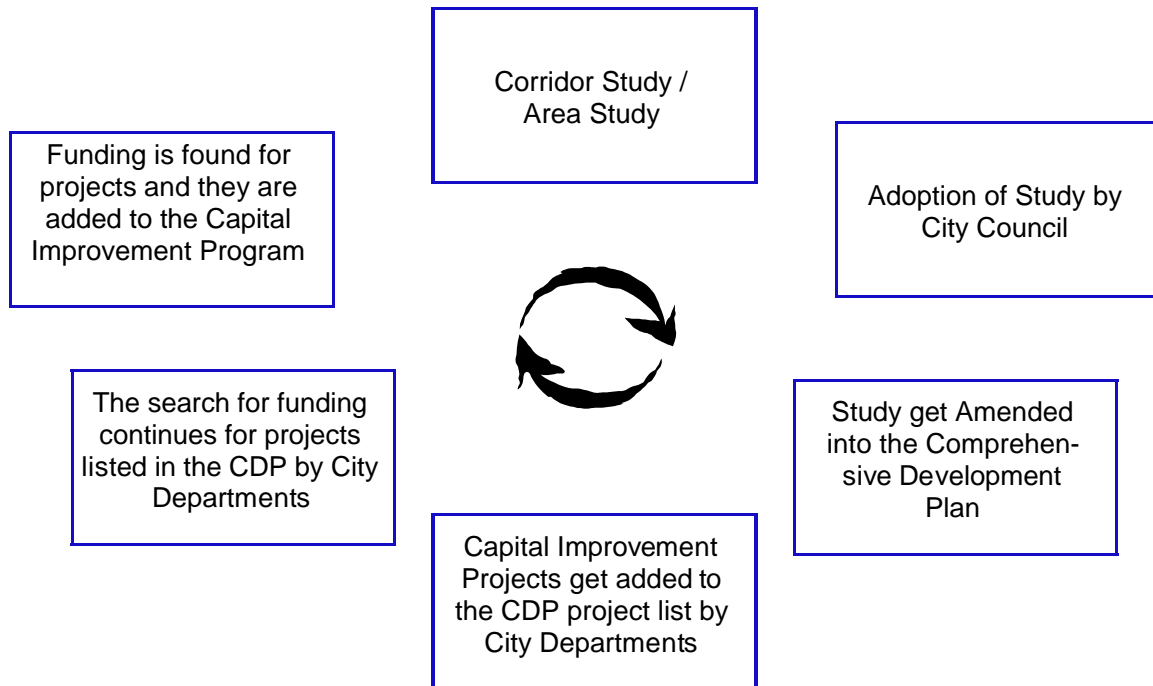
The Comprehensive Development Plan seeks to identify issues within the City of Atlanta and regionally as Atlanta is a fairly large metropolitan area experiencing growth in various ways. The City along with other nearby local governments all experience impacts from regional growth patterns as well as regional and local legislation, although often in different ways. By identifying the various issues impacting Atlanta and forecasting for the future, the Comprehensive Development Plan then seeks to find solutions to these issues through policy and land use plans and projects that will correct the problems the City experiences presently as well as prepare for anticipated future problems.

The Capital Improvement Program identifies funding sources for specific projects listed in the Comprehensive Development Plan, describes the projects and shows a funding schedule from beginning to end. It covers those items typically thought of as “infrastructure”—streets, sewer lines, bridges, etc., as well as facilities through which city government provides services directly to citizens or in support of city operations. The Capital Improvement Program identifies specific improvements to city infrastructure and facilities needed to support and implement the Comprehensive Development Plan (CDP).

Introduction

Neighborhood Plans, Programs and Projects

Many of the Capital Improvement Projects in this document are initially identified in corridor and area studies.



Introduction

Understanding the Capital Improvement Program Document

The Capital Improvement Program Document

The Capital Improvement Program document has been designed to be informative and user friendly for Atlanta's residents. The following CIP data is pulled from a relational database that the members of the CIP steering committee (departments involved in the CIP process) have access to for entering their data. You will now find two projects summaries following the introductory text of each sub-section. The first project summary will be a printed list of Capital Improvement projects by their identified programs. This list will also show the projects capital improvement identification along with the funding schedule and un-abbreviated funding source. The second project summary will display projects individually, with detailed project development and funding information.

Capital Improvement Program Project Pages

The CIP project pages, located in each departmental section were created to provide as much detailed information to the reader as possible. These pages will have the following information available:

Projects are identified as new construction or rehabilitation

Address of the project

The NPU where the project is located

The Land Use Plan or any additional program the project is connected with (if any)

A detailed description of the project

Financial information on the project

Name of the program

The start date of the project

The projected date of completion

The projects CIP identification number (created by the database)

The Council district where the project is located and the status of the project

ALTERNATE FUEL SUPPLY SYSTEM & STORAGE FACILITIES										
Program:	Facilities Maintenance Program	Start Date:	3/15/1999							
Type:	New	End Date:	4/15/2002							
Location:	On-Airport	Project ID:	AV-1999-0049							
NPU:	A, B, C,	Council:	1, 10, 11, 12, 2, 3, 4, 6,							
Land Use:		Status:	Funded Project							
Narrative:	Phase 1b of the AFPP Facility will design and construct the follow A 152' 9" diameter Jet fueled turn pit Control building/observation tower Aircraft modcup with zone fire scenarios for aircraft groups 3 and Fuel storage systems to supply the turn fuel for the modcup Pollution control system.									
Thru 2001	2002	2003	2004	2005	2006	2007	2008-18	Total		
754	94	0	0	0	0	0	0	798		
Airport Funds (Gen Airport Rev Bonds)										